

Introduction As philanthropy evolves, so do the tools used to help secure charitable donations. Artificial intelligence has received immense attention over the past few years and with it, a growing sense of interest in creative uses for technology. As artificial intelligence continues to be implemented in both personal and professional settings, it is important to understand what artificial intelligence is and explore its potential in the philanthropic world.

This article will provide an overview of artificial intelligence, how it works and the different types of artificial intelligence models that exist. It will also examine how nonprofits are utilizing artificial intelligence in their programs and cover Cresi AI, a powerful AI tool, available to Crescendo GiftLegacy Pro subscribers that is designed to help nonprofits incorporate artificial intelligence into their operations. With this knowledge, professional advisors will be better equipped to employ benefits and be aware of the limitations that come with artificial intelligence, enabling them to assist donors in making impactful giving decisions and efficiently and effectively boosting donor engagement.

What is Artificial Intelligence? Artificial intelligence (AI) refers to technology that allows computers to simulate human learning, problem solving and creativity. AI systems learn through processing vast amounts of data, recognizing patterns and using that data to produce results based on experience and exposure.

While traditional computer programming relies on predetermined instructions, AI systems can adapt and learn from data to constantly improve results over time. The machine learning process for AI systems involves algorithms, which are a set of rules and instructions, that help guide the AI system's analysis and decision-making capabilities. AI systems process data through the algorithms to develop expertise in the subject being analyzed. As a result, AI allows complex tasks to be performed quickly and efficiently.

The goal of AI is to allow computers or software to ultimately perform tasks that would ordinarily require a person to complete. AI provides the capability for software to reason with the inputs and offers an explanation on the outputs. The skill to solve problems and make decisions efficiently can make AI an invaluable resource to charitable organizations. AI takes considerable resources and energy which may impact a nonprofit's decision to use the technology, considering the organization's underlying ethics and mission goals. For example, an environmental nonprofit may decide to limit the use of AI based on the burden on the environment necessary to maintain AI systems.

Generative AI Generative AI is a type of AI that can create new content like text and images based on a variety of inputs and prompts. Generative AI relies on machine learning models to imitate human creativity. Examples of generative AI include large language models such as ChatGPT and Microsoft Copilot. While traditional AI focuses on analyzing data, generative AI allows computers and software to generate new outputs that are often indistinguishable from content created by humans.

The benefit and drawback of generative AI is its ability to produce content that is so realistic that the consumer of the content is unaware that it was produced by AI. In addition, generative AI

allows for content creation to be accomplished in an expedited manner while saving time and resources. By using generative AI models, nonprofits can quickly create new personalized marketing content while constantly innovating their materials to enhance donor impact.

Predictive AI Predictive AI is another form of AI that analyzes data to find trends and makes predictions based on the patterns found in the data. Organizations typically use predictive AI to predict future outcomes, understand causation and prepare for future trends. By looking at what happened in the past, predictive AI can forecast what is likely to occur by interpreting the data that is currently available. Yet, there can be considerable limitations to this technology based on the data available. The most common example of this is streaming platforms offering recommendations on what to watch next based on what you have already watched in the past. The same process can be used to analyze an organization's fundraising efforts to help identify those most likely to give, when is the best time to ask and how much to ask for.

Prescriptive AI Prescriptive AI goes beyond what predictive AI offers by using collective data to form a recommendation on the best possible course of action. Using the available data, a prescriptive system can advise an organization on what steps it needs to take to accomplish a specific task such as the likelihood of a donor making a repeated gift. With this knowledge, nonprofits can dedicate available resources to take the recommended steps and modify their fundraising strategies accordingly. It is worth noting that this data is based heavily on hindsight and may need additional review reflecting new life circumstances for a donor.

Incorporating AI in Charitable Giving AI can offer some unique opportunities for nonprofits to streamline tasks, operate more efficiently and potentially increase donations. Given the progress of AI over the past few years, charitable organizations that currently implement AI into their operations are seeing the benefit in several areas.

Administration Nonprofits often have limited budgets and must allocate their resources as effectively as possible. One of the significant benefits of AI is the ability to automate administrative responsibilities and thus allow nonprofit staff to focus on donor outreach and engagement. These automated responsibilities can include generating marketing materials, compiling notes and drafting emails. These AI applications free up staff time and act as the first line of communication with donors. AI can handle routine tasks such as data entry, scheduling or generating reports, allowing staff members to focus on higher-value and more complex activities while automating initial communication with donors.

Strategy A strong fundraising campaign begins with a plan. Strategic planning can help a nonprofit save time, money and resources to ensure they are optimizing their efforts to maximize their gifts. AI can aid in developing a strong strategy by going beyond basic planning and goal setting. Instead, AI can help visualize different goals and create detailed step-by-step instructions. Evaluating various scenarios can provide nonprofits insight into areas they need to focus on in a campaign or learn which areas they can improve on.

Part of strategic planning involves knowing who to engage with. For example, nonprofits can utilize AI to create detailed donor profiles by consolidating information collected as part of the prospect-research process. AI can sift through the donor's donation history, personal interests and

background to create targeted messages that appeal to the individual donor's unique philanthropic interests. As this technology continues to evolve, states are enacting laws to protect consumers from AI decision making. Nonprofits should be aware of consumer privacy laws in their area to ensure donor information is adequately protected. Nonprofits will want to work with advisors to maintain compliance.

Fundraising Fundraising is one of the most important undertakings for a nonprofit as many rely on public donations to fund their causes. Successful fundraising involves understanding donor behavior, fostering strong relationships and implementing effective donor stewardship to retain existing donors and acquire new ones. AI can help streamline data analysis and implementation to identify individuals most likely to be a potential donor for outreach and securing donations.

By identifying those most likely to give, nonprofits can allocate their resources to target these specific individuals. When used effectively, AI could be the first step in identifying potential donors so that an organization's gift planning team can then foster the relationship. Giving can be very emotional for a donor, so it will be the job of the organization's staff to cultivate the relationship with the donor, allowing the donor to tell their story so the donor feels comfortable knowing they are making an impactful gift.

Evaluation It is important for nonprofits to evaluate their outreach work to understand if their strategies are effective and resonate with donors. AI can collect and analyze large amounts of data from a variety of sources. Whether it is donor survey responses, emails or online interactions, AI can use this collected data to help nonprofits measure the success of their campaigns. With this awareness, nonprofits can improve the design of future surveys, produce reports and optimize outreach strategies. The ability to look back and evaluate the outcome will help nonprofits understand the impact of their efforts.

Marketing AI can help develop creative content for use in marketing materials, emails and other forms of personalized communications. By enhancing communication tools, AI allows nonprofits to review past donor interactions and customize messages that will resonate with those donors. This level of personalization can help enhance donor relationships, foster greater donor engagement and deepen their connection to the organization.

With AI's ability to respond to carefully crafted prompts, AI can draft compelling marketing pieces that inspire immediate action from donors. Without ever having to be hindered by a lack of creative inspiration, AI can generate content that allows an organization to become stronger storytellers and ultimately increase fundraising results.

Cresi AI Crescendo's Cresi AI is an innovative creative writing assistant tool available to GiftLegacy Pro subscribers. Utilizing advanced generative AI technology, Cresi AI allows nonprofits to create personalized, meaningful content specifically tailored to their donors in a matter of seconds and help gift planners connect with donors.

Whether a nonprofit is making first-time contact or nurturing long-term relationships, Cresi AI simplifies the process of creating compelling, donor-centric communications. With customizable options like target audience, tone, age range, education level and more, an organization can

quickly generate content that speaks directly to donors. Unlike general-purpose AI tools, Cresi AI is specifically designed to guide a nonprofit through crafting messages that inspire and engage donors.

Cresi AI's content is versatile and can be used for mission statements, web pages, newsletters, marketing messages, printed materials and more, ensuring an organization's communication efforts are consistent and compelling across all platforms.

How Does Cresi AI Work? As a creative writing assistant, Cresi AI relies on a series of prompts that essentially tells Cresi AI how and what to write per specific prompts. Another feature of Cresi AI is the ability to have Cresi AI rewrite specific marketing materials by inputting the text with some customization to the nonprofit's intended audience. While Cresi AI is not designed to answer questions, it is intended to function as an organization's creative writer while also providing helpful tips and highlighting key points to emphasize in marketing materials.

With the help of Cresi AI, nonprofits are able to help communicate more effectively with their donors in a few ways. First, Cresi AI will help nonprofits explain to their donors why they should consider making gifts to the organization. Second, Cresi AI can help show how the donor's gift will benefit and impact the organization in a positive way. In the end, Cresi AI will help improve communication between an organization and its donors. Cresi AI, in conjunction with a multi-channel marketing system, can be used as a tool that helps secure more gifts. Cresi AI is intended to be reviewed and edited to match an organization's existing marketing, as an easy way to rewrite or generate content.

AI Considerations While AI is intended to mimic human activity, there are certain aspects of human behavior that AI cannot replicate. AI should complement personal interaction since charitable giving is such an emotional experience. Everyone loves to tell their story as it makes the donor feel great about making an impactful gift. As such, AI will not be eliminating the most important job from those who work closely with their donors, which is personal interaction. What AI can provide is the ability to help free up more time to have a meaningful connection with a donor and hear their stories.

AI might not be a fit for all organizations. AI can be a useful time saving tool, but internal use should be considered to ensure that policies and procedures are in place and AI outputs are verified by an individual. The organization may want to consider a disclaimer to ensure that donors are aware that some of the content may have been created by AI. Any policy regarding AI should be considered to ensure the highest quality control. Before an individual moves forward with the use of AI, check with your internal policy and procedure documents to ensure compliance.

Although AI can potentially improve certain aspects of an organization's gift program, AI has the potential to "hallucinate" at times and provide incorrect statements of fact or law, so nonprofits should fact check statements to ensure accuracy. It will be the responsibility of the advisors to steer donors and nonprofits through information provided by AI to ensure its accuracy and verify the information. There have been different versions of AI over the years and, like any other

software, updates are regularly needed to improve the accuracy of the results generated. AI collects information from potentially unchecked sources so authenticating the output is a vital step whenever AI is involved.

AI understands vast amounts of information but the importance of the tone in the communication is just as important as the message being sent. Since the tone of voice is how words can be interpreted by the listener, it is essential that organizations ensure they are setting the right tone. Trusting in AI's abilities, while at the same time verifying the results, is a responsible use of AI in order to avoid any inconsistencies or the wrong tone that could potentially drive a donor away from making a gift.

Conclusion The world of philanthropy is continually advancing with the latest technological innovations, and AI has emerged as a potentially valuable tool offering creative solutions for nonprofit operations and donor engagement. By understanding how AI and its various applications work responsibly, nonprofits can take advantage of the latest technology to improve their outreach strategies. With tools like Cresi AI, organizations can gain access to resources that can streamline creative thinking and communication which can result in a greater impact for donors.



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